



Congress of the United States
House of Representatives

Washington, DC 20515

March 23, 2021

The Honorable Janet Yellen
Secretary
U.S. Treasury Department
1500 Pennsylvania Ave, NW
Washington, D.C. 20220

The Honorable Antony Blinken
Secretary
U.S. Department of State
2201 C Street, NW
Washington, D.C. 20220

Dear Secretary Yellen and Secretary Blinken,

I write to express my concerns about recent reports that China has been violating U.S. sanctions by importing large amounts of crude oil from Iran.¹ As you know, the Trump Administration imposed significant sanctions on purchasers of Iranian crude oil in mid-2018. These sanctions caused a precipitous drop in Iranian exports to China, India, Japan, and South Korea since late 2018. According to reports, unlike the other countries affected by these sanctions, China never completely stopped importing Iranian oil.

Furthermore, Iran moved about 17.8 million tons (306,000 barrels per day) of crude oil into China during the past 14 months.² Of these, about 75% were "indirect" imports identified as oil from Oman, the United Arab Emirates (UAE), or Malaysia, which entered China mainly via ports in eastern Shandong province, home to most of China's independent refiners.³ Multiple reports indicate that tankers carrying Iranian oil switch off their transponders when loading to avoid detection, but then become traceable via satellites near ports of Oman, the UAE and Iraq.⁴

We must enforce U.S. sanctions and push the Iranian regime to stop its malign activities. Unfortunately, Iran's incentive to negotiate is weakened by this blatant evasion of hard-hitting U.S. sanctions.⁵ China is expected to import 918,000 barrels a day from Iran this month alone.

Iran uses its oil revenues to fund the regime's destabilizing activities, including its ballistic missile program and the Islamic Revolutionary Guard Corps (IRGC). The U.S. cannot turn a blind eye and allow these dollars to fund Iran's terrorist activity.

I respectfully request you provide an answer to the following questions:

- Is the U.S. aware of illicit Chinese purchases of Iranian oil?
- Would the U.S. consider China importing Iranian oil as sanctionable activity? If not, why not?
- Can you commit to raising this concern in your conversations with your counterparts in the Chinese government?

I appreciate your prompt attention to this important request.

Sincerely,

BRYAN STEIL
Member of Congress

¹ <https://oilprice.com/Energy/Crude-Oil/China-Splurges-On-Iranian-Oil-Despite-US-Sanctions.html>

² <https://thediplomat.com/2021/03/china-is-buying-record-amounts-of-iranian-oil/>

³ <https://www.reuters.com/article/us-oil-iran-asia-analysis/analysis-iran-slips-record-volume-of-oil-into-china-reaches-out-to-asian-clients-for-trade-resumption-idUSKBN2B000L>

⁴ <https://www.reuters.com/article/us-oil-iran-asia-analysis-idUKKBN2B000L>

⁵ <https://www.wsj.com/articles/china-buys-more-iranian-and-venezuelan-oil-in-a-test-for-hidden-us-116146201>